

IC 20-41

ARTICLE 41. EXTRACURRICULAR FUNDS AND ACCOUNTS

IC 20-41-1

Chapter 1. Accounting for School Functions; Extracurricular Account

IC 20-41-1-1

"Treasurer"

Sec. 1. As used in this chapter, "treasurer" includes an assistant treasurer or a deputy treasurer.

As added by P.L.2-2006, SEC.164.

IC 20-41-1-2

Accounting as separate funds

Sec. 2. Any self-supporting programs maintained by a school corporation, including:

- (1) school lunch; and
- (2) rental or sale of textbooks;

may be established as separate funds, separate and apart from the general fund, if no local tax rate is established for the programs.

As added by P.L.2-2006, SEC.164.

IC 20-41-1-3

Custodian responsibilities

Sec. 3. (a) A person who has charge of the collection, custody, and disbursement of funds collected and expended to pay expenses incurred in conducting any athletic, social, or other school function, the cost of which is not paid from public funds, shall:

- (1) keep an accurate account of all money received and expended, showing the:
 - (A) sources of all receipts;
 - (B) purposes for which the money was expended; and
 - (C) balance on hand; and
- (2) file a copy of the account with the township trustee, board of school trustees, or board of school commissioners within two (2) weeks after the close of each school year.

(b) An account filed under subsection (a)(2) is a public record open to inspection by any interested person at any reasonable time during office hours.

As added by P.L.2-2006, SEC.164.

IC 20-41-1-4

Forms

Sec. 4. (a) All forms and records for keeping the accounts of the extracurricular activities in school corporations shall be prescribed or approved by the state board of accounts. The records and affairs of the extracurricular activities may be examined by the state board of accounts when the state examiner determines an examination is

necessary. The forms prescribed or approved for keeping these accounts must achieve a simplified system of bookkeeping and shall be paid for, along with the bond required in this chapter, from the general fund.

(b) The funds of all accounts of any organization, class, or activity shall be accounted separately from all others. Funds may not be transferred from the accounts of any organization, class, or activity except by a majority vote of its members, if any, and by the approval of the principal, sponsor, and treasurer of the organization, class, or activity. However, in the case of athletic funds:

(1) approval of the transfer must be made by the athletic director, who is regarded as the sponsor; and

(2) participating students are not considered members.

All expenditures of the funds are subject to review by the governing body of the school corporation.

As added by P.L.2-2006, SEC.164.

IC 20-41-1-5

Requirement of treasurer

Sec. 5. (a) A public school must have a treasurer for purposes of this chapter. The treasurer must be:

(1) the superintendent or principal of the particular school;

(2) a clerk of the school corporation; or

(3) a member of the faculty appointed by the superintendent or principal.

This designation must be made immediately upon the opening of the school term or the vacating of the office of treasurer. Claims shall be filed and paid under sections 7 and 8 of this chapter. The employing or appointing officials of a school may appoint and engage a school treasurer or clerk.

(b) A school corporation may appoint one (1) or more assistant or deputy treasurers.

(c) A treasurer is not personally liable for an act or omission occurring in connection with the performance of the duties set forth in this chapter, unless the act or omission constitutes gross negligence or an intentional disregard of the treasurer's duties.

As added by P.L.2-2006, SEC.164.

IC 20-41-1-6

Bond

Sec. 6. (a) The treasurer shall give a bond in an amount fixed by the superintendent and principal of the school approximating the total amount of the anticipated funds that will come into the possession of the treasurer at any one (1) time during the regular school year. Bonds shall be filed with the trustee or board of school trustees. The surety on the bonds must be a surety company authorized to do business in Indiana. However, the requirement for giving the bond and the requirement to deposit the receipts in a separate bank account, as required in section 9 of this chapter, do not apply to any school for which the funds, as estimated by the

principal, will not exceed three hundred dollars (\$300) during a school year.

(b) The requirements of this chapter may be fulfilled by providing a comprehensive bonding instrument, including a single blanket position bond, for all extracurricular treasurers. A comprehensive bonding instrument is acceptable instead of individual separate personal position bonds.

As added by P.L.2-2006, SEC.164.

IC 20-41-1-7

Responsibilities of treasurer

Sec. 7. (a) The treasurer has charge of the custody and disbursement of any funds collected by a collecting authority and expended to pay expenses:

- (1) approved by the principal or teacher in charge of the school;
- (2) incurred in conducting any athletic, social, or other school function (other than functions conducted solely by any organization of parents and teachers);
- (3) that cost more than twenty-five dollars (\$25) during the school year; and
- (4) that are not paid from public funds.

(b) The principal or teacher in charge of the school shall designate a collecting authority to be in charge of the collection of any funds described in this section. Upon collection of any funds, the collecting authority shall deliver the funds, together with an accounting of the funds, to the custody of the school treasurer. The principal may designate different collecting authorities for each separate account of funds described in this section.

As added by P.L.2-2006, SEC.164.

IC 20-41-1-8

Treasurer; duties; accurate accounts; reports

Sec. 8. (a) The treasurer shall keep an accurate account of all money received by the collecting authority and expended, showing:

- (1) the sources of all receipts;
- (2) the purposes for which the money was expended; and
- (3) the balance on hand.

A copy of the report, together with all records and files of extracurricular activities, shall be filed as required under section 3 of this chapter.

(b) However, in a school that has two (2) or more semesters in any one (1) school year, the treasurer of the school shall file a copy of the treasurer's financial report of receipts and disbursements with the township trustee, board of school trustees, or board of school commissioners not more than two (2) weeks after the close of each semester. Records and files of extracurricular activities for the entire school year shall be filed with the last financial semester report of any one (1) school year.

(c) A copy of the report shall be filed with and kept by the city superintendent having jurisdiction and the county superintendent

where the superintendent has jurisdiction.

(d) The records under this section shall be kept for five (5) years, after which they may be destroyed.

As added by P.L.2-2006, SEC.164.

IC 20-41-1-9

Deposits and accounts

Sec. 9. (a) The treasurer shall deposit all receipts in one (1) bank account. The receipts shall be deposited without unreasonable delay. The account is known as the school extracurricular account. The records of each organization, class, or activity shall be kept separate so that the balance in each fund may be known at all times.

(b) The money in the school extracurricular account may be invested under the conditions specified in IC 5-13-10 and IC 5-13-10.5 for investment of state money. However, investments under this section are at the discretion of the principal. The interest earned from any investment may be credited to the school extracurricular account and need not be credited proportionately to each separate extracurricular fund. The interest earned from the investment may be used for any of the following:

(1) A school purpose approved by the principal.

(2) An extracurricular purpose approved by the principal.

(c) Amounts expended under this section for the purposes described in this section are in addition to the appropriation under IC 20-26-5-4(3).

As added by P.L.2-2006, SEC.164.